GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2136
ANSWERED ON:11.12.2015
Special Status to States
Chandrakasi Shri M.

Will the Minister of FINANCE be pleased to state:

(a) the criteria/guidelines adopted by the Government for granting special status to States/UTs;

(b) the details of States granted Special Category during the last three years and the current year, State/UT-wise;

(c) whether the Government proposes to dispense with the system of according special status to States/UTs;

(d) if so, the details thereof and the reasons therefor; and

(e) the details of special assistance granted to States/UTs not covered under the Special Status other than contingency and disaster funding?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) to (d) Special Category Status for plan assistance was granted in the past by the National Development Council (NDC) to 11 States that are characterized by a number of features necessitating special consideration. These features include: (i) hilly and difficult terrain (ii) low population density and / or sizeable share of tribal population (iii) strategic location along borders with neighbouring countries (iv) economic and infrastructural backwardness and (v) non-viable nature of state finances. Those 11 States are Arunachal Pradesh, Assam, Himachal Pradesh, Jammu & Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttarakhand. The Special Category Status was granted to Uttaranchal (now Uttarakhand) at the 49th NDC meeting held on September 1, 2001.

Fourteenth Finance commission, in para. 2.29 of their report has stated that they have not made a distinction between special and general category states in determining norms and recommendations. However, the Committee constituted in NITI Aayog for deciding on the Sharing pattern of CSS has recommended that the funding pattern of the 17 core schemes, which form part of the National Development Agenda, will be retained with the sharing pattern of 60:40 between the Centre and the States (90:10 for the 8 North-Eastern and 3 Himalayan States). The funding pattern of the schemes namely MGNREGA, NSAP, UMBRELLA Programmes for development of SC, ST, differently abled person, minorities, backward classes and vulnerable group will remain unchanged. All other schemes will be optional for the State Governments and their fund sharing pattern will be 50:50 between the Centre and the States (80:20 for the 8 North-Eastern and 3 Himalayan States).

(e) Special Assistance of Rs. 20000 crore has been provided in Demand No. 37 (Transfer to State and Union Territory Governments) of Ministry of Finance in Expenditure Budget Vol.II of Union Budget 2015-16. The Central Govt. has approved allocation of Special Assistance as shown in the Annex-I. So far, an amount of Rs. 700 crore has been released to Govt. of Andhra Pradesh (Special Assistance of Rs. 350 crore @Rs. 50 crore per district for the development of 7 backward districts covering Rayalaseema & North Coastal region and Rs.350 crore for State Capital) and Rs. 552 crore has been released to the State Government of Tamil Nadu to deal with the post Fourteenth Finance Commission related issues. Also, Rs. 116.22 crore has been released to Uttarakhand for long term reconstruction package, 2013.

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